



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA DATE:

Title: 012711 PARD TEXAS ROWING

Subject: Authorize award, negotiation, and execution of a 5-year revenue concession contract with TEXAS ROWING CENTER, INC., Austin, TX, or the other qualified offeror to RFP No. CB30017, for the management and operation of a boathouse on Lady Bird Lake for a guaranteed minimum revenue amount of \$600,000 for the first 5-year term with one 2-year option for a guaranteed minimum revenue amount of \$400,000, for a total guaranteed minimum revenue amount of \$1,000,000 across a seven year term.

Amount and Source of Funding: The guaranteed minimum revenue will be included in the Fiscal Year upon construction completion and start of operation for the Parks and Recreation Department.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

Agenda Category: Purchasing Office

For More Information: Cruz Banda, Buyer II/974-2133

Prior Council Action:

Boards and Commission Action: To be reviewed by the Parks and Recreation Board.

Purchasing Language: Best proposal of two proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No Subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

The contract with Texas Rowing Center, Inc. is for the management and operation of the boathouse on Lady Bird Lake for the Parks and Recreation Department. The boathouse is part of the City of Austin's Waller Creek Tunnel Project. The projected completion date for the Boathouse located at 74 Trinity is March 2012. The new construction will include a commercial driveway; 330 linear feet of access road; 400 square feet of parking area and sidewalks; construction of one two-story building with an approximate gross floor area of 10,800sf and a building foot print of 6,900sf (including electrical, structural, utility, and mechanical systems) and associated site improvements and landscaping; and construction and installation of two pier supported docks and three floating docks and appurtenances will be the anchor for this project.

The Boathouse will be open year-round with hours adjusted to the season. The

City owns the property and Texas Rowing Center will provide all operational equipment including water craft services such as canoe and kayak rentals, rowing programs, and food and exercise concession services. Programs and services will benefit citizens, disabled citizens, youth, seniors and economically disadvantaged. The rental fleet will consist of traditional canoes, single seat kayaks, double seat kayaks. Texas Rowing Center will also provide subcontracting opportunities for area small businesses. The Contractor will also provide all of the business related items including a cash register, telephone, necessary paddles, and lifejackets for an estimated initial investment of \$500,000.

Texas Rowing Center proposes to pay the City 15% of the net revenues annually for the first five year term, with a guaranteed minimum of \$600,000. In addition, for the subsequent single two-year option, 15% of the net is proposed with a guaranteed minimum of \$400,000. For a total guaranteed minimum revenue amount of \$1,000,000 across a seven year term.

An RFP was issued on March 15, 2010 for an experienced contractor to manage and operate the boathouse at Waller Creek on Lady Bird Lake. Two proposals were received. An evaluation team consisting of seven professional and managerial staff from the Parks and Recreation Department reviewed and scored the proposals. The panel members recommended Texas Rowing Center, Inc. as the best proposer based upon the categories of 1) The Project Concept and Solutions, 2) Demonstration of Public Private Partnerships Experience, 3) Revenue and 4) Financial Viability/Stability.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

MBE/WBE solicited: 7/9 MBE/WBE bid: 0 /0

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred and sixty-nine notices were sent, including 7 MBEs and 9 WBEs. Two proposals were received, with no response from the MBE/WBEs.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal.
- b. The Purchasing Office concurs with the Parks and Recreation Department's recommended award.
- c. Advertised in the Austin American-Statesman and the Internet.